

# Daily Current Affairs 6 June 2018

## Finance and Banking

### RBI to set up Public Credit Registry

- The Reserve Bank of India (RBI) announced that a Public Credit Registry (PCR) would be set up in a modular and phased manner, to strengthen the economy's credit culture.
- The RBI's High Level Task Force, which submitted its report on April 4, had recommended that with a view to address information asymmetry, foster access to credit, and strengthen the credit culture in the economy, a PCR should be set up.
- In lieu of the same, the central bank, while announcing its bi-monthly monetary policy statement, said it has considered the recommendations of the Task Force and decided to set up a PCR in a modular and phased manner.
- Furthermore, the RBI said an Implementation Task Force (ITF) is being constituted to help design undertake logistics for the next steps in setting up of the PCR.
- Earlier in the day, the Reserve Bank's Monetary Policy Committee (MPC) announced a hike in the repo rate and reverse repo rate to 6.25 percent and 6 percent respectively.
- Maintaining a neutral stance, the central bank's six-member MPC reiterated its commitment to achieving the medium-term target for headline inflation of 4 percent on a durable basis.

### RBI raises policy rate for the first time in four years, maintains 'neutral' stance

- The Reserve Bank of India on Wednesday raised its policy rate for the first time in more than four years, due to inflation concerns, but kept its policy stance as "neutral".
- The monetary policy committee lifted the repo rate by 25 basis points to 6.25 percent, the first increase since January 2014, as predicted by 46 percent of respondents in a Reuters poll this week.
- All six members on the rate panel voted for an increase.
- The reverse repo rate was also raised by 25 basis points, to 6.00 percent.
- Before Wednesday, the last policy rate change was a 25 bps cut in August 2017.

### IDFC Bank, Capital First get Reserve Bank of India's nod for merger

- IDFC Bank on Wednesday said it has received RBI's approval for merger of Capital First, Capital First Home Finance and Capital First Securities with the company.
- "The Reserve Bank of India (RBI) has, via its letter dated 4 June, 2018, conveyed its 'No Objection' for the voluntary amalgamation of Capital First Ltd, Capital First Home Finance Ltd and Capital First Securities Ltd with IDFC Bank," IDFC Bank said in a regulatory filing.
- Earlier in January, the company said its board of directors has approved amalgamation of the three entities with IDFC Bank Ltd.

- The amalgamation is subject to the receipt of approval from the respective shareholders and creditors of the companies, the National Company Law Tribunal, and other statutory and regulatory approvals, it added.
- Warburg Pincus backed non-banking financial company Capital First and IDFC Bank, with this merger in an all-stock deal, are set to create a Rs 88,000-crore combined entity.
- The share swap ratio for the merger is fixed at 139:10, meaning IDFC Bank will issue 139 shares for every 10 shares of Capital First.

#### **Canara Bank fined in UK for anti-money laundering breaches**

- Britain's markets regulator has fined the UK division of India's Canara Bank 896,100 pounds (\$1.2 million) and blocked it from accepting new deposits for around five months for systemic anti-money laundering (AML) failures.
- The Financial Conduct Authority (FCA) said on Wednesday that the control failures at the UK division of Canara Bank, India's fifth largest state-run lender by assets, affected almost all levels of its business and governance structure, including senior management.
- The division's AML risk management and governance framework had been not fit for purpose, risking undermining the integrity of the UK financial system - despite regulatory warnings since 2012 that its systems needed fixing, the FCA said.

#### **President approves promulgation of Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018**

- President Ram Nath Kovind on June 6, 2018 gave approval to promulgate the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018.
- The Ordinance provides significant relief to home buyers by recognising them as financial creditors.
- From now on, home buyers will have representation in the Committee of Creditors and will be an integral part of the decision making process.
- Homebuyers will have the right to initiate a resolution process against the bankrupt real estate companies and get their money back.
- It will also enable home buyers to invoke Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016 against errant developers.
- The biggest beneficiaries of this ordinance will be homebuyers as the present version of the IBC does not consider homebuyers as secured creditors; they have no right to initiate a resolution process if a real estate company goes bankrupt.

#### **Agro-Processing Financial Institution as NBFC for food processing sector**

- Food Processing Ministry will soon create the Agro-Processing Financial Institution which will exclusively fund food processing projects.
- The Agro-Processing Financial Institution will be a non-banking financial institution.
- This NBFC in food sector will create capacity building in the field of risk assessment and ease lending to food processing sector.

### **Centre to start measuring green GDP of States**

- The government will begin a five-year exercise to compute district-level data of the country's environmental wealth.
- The results of this study will eventually be used to calculate every State's 'green' Gross Domestic Product (GDP).
- The metric will help in calculating compensation to be paid during land acquisition, calculation of funds required for climate mitigation, and so on.

### **Cabinet approves revision in the wage structure and allowances of Gramin Dak Sevaks**

- The Union Cabinet chaired by Prime Minister Narendra Modi has approved the revision in the wage structure and allowances of Gramin Dak Sevaks (GDS) of the Department of Posts.
- The revision in the wage structure would entail an estimated expenditure of Rs 1257.75 crore (Non-recurring expenditure - Rs 860.95 crore and Recurring expenditure of Rs.396.80 crore) during 2018-19.
- Around 3.07 lakh Gramin Dak Sevaks will be benefitted by this wage revision.

### **Cabinet approves revised guidelines on time bound closure of loss making Central Public Sector Enterprises**

- The Union Cabinet chaired by Prime Minister Narendra Modi has approved the revised guidelines of the Department of Public Enterprises (DPE) on time bound closure of sick/ loss making Central Public Sector Enterprises (CPSEs) and disposal of movable and immovable assets.
- The revised guidelines would reduce delays in the implementation of closure plans of sick/loss making CPSEs. They would replace the guidelines issued by DPE in September, 2016.
- The guidelines will also provide a broad framework for expeditious completion of various processes and procedures for closure of CPSEs by laying down important milestones in the closure process along with timelines, outlining the responsibilities of the concerned Ministries/ Departments/ CPSE in the process.

### **Baba Kalyani heads group to study SEZ Policy**

- The Union Government has constituted a group of eminent persons headed by Baba Kalyani, Chairman of Bharat Forge to study the Special Economic Zones (SEZ) Policy of India.
- The group will evaluate the SEZ policy, suggest measures to cater to the needs of exporters in the present economic scenario and make the SEZ policy WTO compatible.
- The Group is required to submit its recommendation in 3 Months' time.

## **India**

### **Center forms 3 key panels for 'Prime Ministers of India' Museum Project**

- The Union Culture Ministry on June 5, 2018 formed three high-powered panels that will work to set up a unique museum on the 'Prime Ministers of India' in the national capital Delhi.
- The Culture Ministry has long been planning to set up a modern museum that will tell the story of all the prime ministers of the country at the premises of the iconic Teen Murti Estate in the Chanakyapuri area, the official residence of India's first Prime Minister Jawaharlal Nehru.
- The iconic landmark Teen Murti Estate belongs to the government.

#### **Shakti Sinha Content Committee**

- The Content Committee headed by Nehru Memorial Museum and Library (NMML) Director Shakti Sinha as its Chairman will have author-historian Makhan Lal, Professor Sriprakash Singh and some officials as its members.

#### **Swapan Dasgupta Committee**

- Another panel, headed by Rajya Sabha MP Swapan Dasgupta, will have Prasar Bharati chief A Surya Prakash as a member. It will vet the content for curation for the museum on Prime Ministers of India, an official said.

#### **Project implementing Committee headed by Shakti Sinha**

- The third panel, also headed by NMML Director Shakti Sinha, has senior CPWD officials on board. This project implementation panel will work on setting up the museum.

#### **India, Russia collaborate to create common engineering facility center**

- The Jharkhand-based Common Engineering Facility center, a joint collaboration of Indian public sector undertaking named 'Heavy Engineering Corporation Limited' and Russian-based Atomenergomash's subsidiary JSC RPA "CNIITMASH" has started functioning here on Wednesday.
- The engineering center has initiated a training program named 'Technologies and Equipment for Welding of Items for Heavy and Power Engineering' for the Indian students.
- The first batch of the center comprises of 23 attendees. They will be participating in a two-month course. The program includes lectures and practical sessions, and it will conclude with final exams.
- In the run-up to the course, "CNIITMASH" has done meticulous preparation to develop the training program tailored specifically for the Indian industry.

#### **Uttarakhand to ban use of polythene from July 31**

- The Uttarakhand Government has decided to completely prohibit the use of polythene or plastic from July 31, 2018.
- The move is aimed at curbing rampant use of plastic, which is increasingly becoming a huge environmental challenge. The announcement was made by the state on the occasion of World Environment Day on June 5, 2018.

#### **Key Highlights**

- All the polythene vendors in Uttarakhand have been asked to finish the polythene stock before July 31.
- The state would also be launching a comprehensive public awareness campaign on the environmental damage caused by polythene, one week before the complete ban on polythene.
- According to the state's Chief Minister Trivendra Singh Rawat, environmental conservation is a collective responsibility and so people's cooperation is necessary to make Uttarakhand polythene-free.

#### **Status-cum-Progress Report of “Special Committee for Inter-Linking of Rivers”**

- The Union Cabinet was apprised of the progress report of Special Committee for Inter-Linking of Rivers.
- The Status Report consists of substantial progress made in three priority links - Ken-Betwa Link, Damanganga-Pinjal Link and Para-Tapi-Narmada Link.
- It also gives status of other Himalayan and Peninsular links identified as per National Perspective Plan of 1980.

#### **Heli-taxis between Shimla-Chandigarh launched**

- Himachal Pradesh CM Jai Ram Thakur flagged off a helicopter taxi service that will reduce the travel time between Shimla and Chandigarh to 20 minutes.
- The service is operated by Pawan Hans and can accommodate 19 persons.
- It will cost Rs 2999 per person.

#### **Copper-Bronze age chariots discovered**

- The “first ever” physical evidence of chariots dating from 2000 BC – 1800 BC has been found by the Archeological Survey of India.
- It was found during a trial excavation in Sanauli village near Baghpat.
- The findings will open up further research opportunities into the area's civilisation and culture.

#### **India hosted 11th edition of Geo Intelligence Asia**

- The eleventh edition of Geo-Intelligence Asia 2018 was held at Manekshaw Centre in New Delhi on June 4-5, 2018.
- The annual event was organised by GeoSpatial Media and Communication in collaboration with Directorate General of Information System as Knowledge Partners and Military Survey as co-organisers.
- The seminar brought together military, security officials including BSF and police forces, government and industry together to assess the latest technology solutions and discuss and deliberate on the critical role of geospatial technology for safety and security.

### **India among top 5 countries in e-waste generation**

- India is among the top five e-waste generating countries in the world besides China, the US, Japan and Germany, according to a report released by Assocham and NEC.
- Among states, Maharashtra contributes the largest e-waste of 19.8 percent but recycles only about 47810 tonne per annum (TPA).
- Tamil Nadu generated 13 percent e-waste and recycled about 52427 TPA.

### **India's forest cover stood at 21.34 percent in 2015**

- India's forest cover stood at 21.34 percent in 2015, an increase of 1.29 percent from 2009, as per the Status of Environment Report India 2015 that was released by Environment Minister Harsh Vardhan.
- Mizoram has the highest forest cover among the states and Union territories in the country with 89 percent.
- Assam's forest cover at 35 percent was the lowest.

### **India, US, Japan to begin naval war game**

- India, the US and Japan will hold the Malabar naval exercise from next week off the coast of Guam in the Philippine Sea.
- It will deepen cooperation in the Indo-Pacific region where China has been expanding its military footprint.
- Malabar is a trilateral naval exercise involving the United States, Japan and India as permanent partners.

### **Cabinet approves Continuation Programme for GSLV Mk-III**

- The Union Cabinet chaired by Prime Minister Narendra Modi has approved funding for the Geosynchronous Satellite Launch Vehicle Mark-III continuation programme (Phase-I) consisting of ten GSLV Mk-III flights, at a total estimated cost of Rs 4338.20 crores.
- The GSLV Mk-III continuation programme – Phase 1 is the first phase of operational flights that will enable the launch of 4 tonne class of communication satellites to meet the country's satellite communication requirements.
- The operationalisation of GSLV Mk-III will make the country self-reliant in the launching capability of 4 tonne class of communication satellites and sustain and strengthen the space infrastructure and reduce the dependence on procured launches from foreign countries.

### **Cabinet approves Polar Satellite Launch Vehicle Mark-III Continuation Programme – Phase 6**

- The Union Cabinet chaired by Prime Minister Narendra Modi on June 6, 2018 approved the Polar Satellite Launch Vehicle (PSLV) Continuation Programme (Phase 6) and funding of thirty PSLV operational flights under the programme.

- The programme will meet the launch requirement of satellites for earth observation, navigation and space sciences. It will also ensure the continuity of production in Indian industry.
- The PSLV Continuation Programme – Phase 6 will meet the demand for the launch of satellites at a frequency up to eight launches per year, with maximal participation by the Indian industry. All the operational flights would be completed during the period 2019-2024.

## Index

### India moves one notch up to 136th place in Global Peace Index

- India has moved one notch higher to 136th position in the 2018 Global Peace Index prepared by the international think-tank Institute for Economics and Peace (IEP), which was topped by Iceland.
- The report that covers 99.7 per cent of the world's population and uses 23 qualitative and quantitative indicators grouped into three key domains -- ongoing conflict, safety and security, and militarisation, noted that "the world is less peaceful today than at any time in the last decade".
- Besides Iceland, some of the other most peaceful country in the world include New Zealand (ranked 2nd), Austria (3rd), Portugal (4th), Denmark (5th), Canada (6th), Czech Republic (7th), Singapore (8th), Japan (9th) and Ireland (10th).
- On India, the report said, "Government efforts to tackle violent crime have paid off with an improved score, and falling levels of military expenditure, particularly on weapons imports, resulted in a slight improvement in its militarisation score".

## World

### Amsterdam to host biggest International Yoga Day celebrations in June

- The prestigious Museumplein neighbourhood of Amsterdam is set to host the biggest International Yoga Day celebrations ever seen in the Netherlands on June 17, which will see the participation of a large number of Dutch and Indian dignitaries.
- The celebrations, being organised at the initiative of the Embassy of India will be a whole day wellness festival with mass yoga demonstrations, meditation sessions, music, dance, and vegetarian as well as vegan food.
- The celebrations will be opened by the Dutch Minister of Infrastructure and Water Management, Cora van Nieuwenhuizen, the Mayor of Amsterdam Jozias van Aartsen, spiritual guru His Holiness Sri Sri Ravi Shankar and the Ambassador of India to the Netherlands, Venu Rajamony.

## **Days**

### **Global Running Day observed**

- Global Running Day was observed on 6 June 2018.
- The theme of 2018 was Million Kid Run.

## **Appointments**

### **Ecuador's Maria Fernanda Espinosa Garces elected as President of UN General Assembly**

- Ecuadorean Foreign Minister Maria Fernanda Espinosa Garces was on June 5, 2018 elected as the President of the 73rd session of the United Nations General Assembly (UNGA). She will be succeeding Miroslav Lajcak, the current Assembly President.
- Poet and politician, Espinosa secured 128 votes against 62 votes obtained by UN Ambassador Mary Elizabeth Flores Flake of Honduras, the only other candidate.
- Espinosa is also the first woman ever from Latin America and the Caribbean to preside over the Assembly.